

FY 2017-2018

Part 1 of 1



*State of North Carolina  
Department of the Secretary of State*

ELAINE F. MARSHALL  
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

**SETTLEMENT AGREEMENT**

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

La'Vaar Wynn, Founder and President  
Fathers United, Inc.  
626 Stillgreen lane  
Charlotte, NC 28214

**In the Matter of: Fathers United, Inc.**  
**CSL FILE NO.: 2018 CSL 031148**

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter "Department"], Charitable Solicitation Licensing Division [hereinafter "CSL"] and Fathers United, Inc. to set forth compliance and the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on May 10, 2018 by CSL. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, N.C. Gen. Stat. §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on May 10, 2018, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as "Order") signed by CSL

Director, Gail L. Eluwa, to Fathers United, Inc., assessing ONE THOUSAND DOLLARS (\$1,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, Fathers United, Inc. did not appeal the Order entered on May 10, 2018 by CSL, and instead desires to enter into a settlement agreement to comply with the licensure requirement and satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on or about May 24, 2018, La'Vaar Wynn, Founder and President of Fathers United, Inc., telephoned Verlyn C. Porte, CSL Attorney, regarding the Order and payment of the assessed penalty; and

WHEREAS, on June 14, 2018, CSL received Fathers United, Inc.'s Exemption Request Form; which is under review to determine if the organization satisfied the requirements for an exemption from the licensure requirement of the Charitable Solicitation Act pursuant to N.C.G.S. §131F-3(3); and

WHEREAS, on June 14, 2018, CSL and Fathers United, Inc. agreed to a reduced penalty payment in the amount of TWO HUNDRED AND FIFTY DOLLARS in settlement of the ONE THOUSAND DOLLARS assessed penalty in the May 10, 2018 Order; and

WHEREAS, on June 14, 2018, CSL received Fathers United, Inc.'s penalty payment in the amount of TWO HUNDRED AND FIFTY DOLLARS (\$250.00); and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. Fathers United, Inc. through its Founder and President, La'Vaar Wynn, and the Department through CSL Director, Gail L. Eluwa, agree to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to Fathers United, Inc. on May 10, 2018.

2. Fathers United, Inc. shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before June 29, 2018 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail L. Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail L. Eluwa, CSL Director  
North Carolina Department of the Secretary of State  
Charitable Solicitation Licensing Division  
Post Office Box 29622  
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail L. Eluwa, CSL Director  
North Carolina Department of the Secretary of State  
Charitable Solicitation Licensing Division  
2 South Salisbury Street  
Raleigh, NC 27601

3. If the two copies of the fully executed settlement agreement are not received on or before the June 29, 2018 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

4. CSL agrees to issue Fathers United, Inc. an exemption from the licensure requirement of the Charitable Solicitation Act upon completion of the requirements.

5. Fathers United, Inc. agrees that by entering into this Settlement Agreement, it will request a charitable solicitation license or an exemption from the licensure requirement of the Charitable Solicitation Act within the timeline established by CSL's policy; and acknowledges that failure to timely obtain a license or request an exemption may result in the issuance of additional financial penalties.

6. Fathers United, Inc. acknowledges that by entering into this Settlement Agreement, it agrees not to contest the May 10, 2018 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

7. The parties agree that CSL does not waive any authority on behalf of the Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

8. Entry into this Settlement Agreement by Fathers United, Inc. is not an admission of liability for the violations set forth in the Order of May 10, 2018. Fathers United, Inc., however, does not dispute that the facts set forth in the Order are accurate. CSL does not concede by entering into this Settlement Agreement that it would not have prevailed at a hearing

on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of hearing.

9. The parties agree that all parts of the Order which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

10. This Settlement Agreement shall be given full effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

11. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

12. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

13. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

14. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

15. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

16. This Settlement Agreement shall first be signed by La'Vaar Wynn, Founder and President, Fathers United, Inc., under oath before a Notary Public and then forwarded to Gail L. Eluwa, CSL Director, for signature. The Agreement is effective on the date on which La'Vaar Wynn, signs under oath before a Notary Public on behalf of Fathers United, Inc.

La'Vaar Wynn, Founder and President  
Fathers United, Inc.

Sworn to and subscribed before me,

This the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Notary Public

SEAL

\_\_\_\_\_  
County and State

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Gail L. Eluwa, Director  
Charitable Solicitation Licensing Division  
North Carolina Secretary of State

Sworn to and subscribed before me,

This the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Notary Public

SEAL

\_\_\_\_\_  
County and State

My commission expires: \_\_\_\_\_

# USPS Tracking®

Track Another Package +

Tracking  
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F

Tracking Number: 70171450000035037818

Remov

## Status

 **Delivered**

June 25, 2018 at 11:16 am

Delivered  
CHARLOTTE, NC 28216

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**CERTIFIED MAIL**THIS SECTION ON DELIVERY  
OF THE MAILING CARD TO THE RECIPIENT

SENDERS

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressee to:

IP  
LAVAAR WYNN, OFFICERFATHER'S UNITED INC  
626 STILLGREEN LN  
CHARLOTTE NC 28214-1354

A. Signature		Agent <input type="checkbox"/>
B. Recipient Printed Name		Addressee <input type="checkbox"/>
		C. Date of Delivery
D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:		

JUN 25 2018

3. Service Type
- Certified Mail  Priority Mail Express™
  - Registered  Return Receipt for Merchandise
  - Insured Mail  Collect on Delivery

## 4. Restricted Delivery? (Extra Fee)

 Yes2. Article Number  
(Transfer from service label)  
7017 1450 0000 3503 7818

PS Form 3811, July 2013

Domestic Return Receipt



## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Agreement") is entered into between **Melanie Morrison** ("Morrison"), on behalf of **Carolina Canine Rescue** ("CCR"), a North Carolina non-profit corporation, and **Gail Eluwa, Director, Charitable Solicitation Licensing Division** (the "Division"), on behalf of the North Carolina Department of the Secretary of State (the "Department"), in the above-captioned contested case pending in the North Carolina Office of Administrative Hearings under file no. 18 SOS 1676; and

That in the above-captioned matter, Morrison appealed from an administrative order issued by the Department on January 8, 2018 which found that CCR was not in compliance with the North Carolina Charitable Solicitation Act (N.C. Gen. Stat. § 131F-1 *et seq.*) (the "Act") and imposed a \$2,000 penalty upon CCR for various violations of the Act; and

That CCR is now in compliance with the Act having been granted exempt status by the Division and that such exemption is valid until May 15, 2019; and

That the parties now wish to resolve this matter as follows:

1. The Department agrees to accept \$1,000 in full and final satisfaction of the penalties imposed by the January 8, 2018 Administrative Order;
2. In consideration for the Department's agreement to reduce the penalty amount to \$1,000, Morrison will voluntarily dismiss the contested case pending in the North Carolina Office of Administrative Hearings, file no. 18 SOS 1676, with prejudice.
3. Morrison agrees to pay to the Department the sum of \$1,000 no later than July 30, 2018. Payment is to be by certified funds and payable to the North Carolina Department of the Secretary of State and delivered to Gail Eluwa, Director, Charitable Solicitation Licensing Division, P.O. Box 29622, Raleigh, NC 27626-0622.

4. Morrison acknowledges and agrees that the Division retains all authority on behalf of the Department to take action against CCR for any future violation of the Act or applicable Rules found in Chapter 11 of title 18 of the North Carolina Administrative Code.

Further, Morrison attests that she enters into this Agreement voluntarily and after ample opportunity to review this document with any individuals, advisors and counsel so desired.

This Agreement set forth herein is the entire agreement between the parties and shall be governed by North Carolina law.

This Agreement may be signed in counterparts, each of which when signed and delivered shall constitute an original, but all counterparts together shall constitute a single agreement.

*Melanie Morrison* *7-30-18* *Gail L. Eluwa* *8/8/18*

Melanie Morrison, on behalf of  
Carolina Canine Rescue

Date

Gail Eluwa  
Director, Charitable Solicitation  
Licensing Division, North Carolina Department  
of the Secretary of State

Date





*State of North Carolina  
Department of the Secretary of State*

ELAINE F. MARSHALL  
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING

**CERTIFIED MAIL RETURN RECEIPT REQUESTED**

February 7, 2018

Cheryl A. Peters, Vice President of the Board of Directors  
Animal Protection Society of Person County, Inc.  
P.O. Box 291  
Roxboro, NC 27573

Re: Settlement Agreement

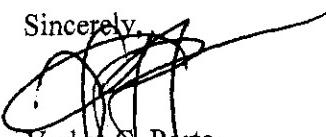
Dear Ms. Peters:

Please find enclosed the Settlement Agreement regarding the January 5, 2018 Administrative Order with penalty (hereinafter, Order). The Agreement resolves all issues in the Order issued by the Charitable Solicitation Licensing Division of the North Carolina Department of the Secretary of State. I have enclosed two originals of the Agreement. **Please sign both copies before a Notary and return both of the originals to our office** for signature by the CSL Director, Gail L. Eluwa, before a notary. The Division will mail you a copy to retain for your records.

As the Agreement states, both signed original Agreements should be returned to CSL on or before February 20, 2018. Should you fail to execute the Agreement by the aforementioned deadline, the entire financial penalty assessed in the Order, in the amount of \$1000.00 (One Thousand Dollars) shall immediately become due for failure to comply with the terms of this Agreement. The regular and overnight mailing addresses of CSL are in the Agreement.

I look forward to receiving the signed Settlement Agreement. Please let me know if you have any questions or need further information regarding this matter.

Sincerely,

  
Verlyn C. Porte,  
CSL Attorney & Enforcement Supervisor



*State of North Carolina  
Department of the Secretary of State*

ELAINE F. MARSHALL  
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

**SETTLEMENT AGREEMENT**

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Cheryl A. Peters, Vice President of the Board of Directors  
Animal Protection Society of Person County, Inc.  
P.O. Box 291  
Roxboro, NC 27573

**In the Matter of: Animal Protection Society of Person County, NC  
CSL FILE NO.: 2017 CSL 101117**

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter "Department"], Charitable Solicitation Licensing Division [hereinafter "CSL"] and Animal Protection Society of Person County, Inc. to set forth compliance and the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on January 5, 2018 by CSL. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, N.C. Gen. Stat. §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on January 5, 2018, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as "Order") signed by CSL

Director, Gail L. Eluwa, to Animal Protection Society of Person County, Inc., assessing ONE THOUSAND DOLLARS (\$1,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, Animal Protection Society of Person County, Inc. did not appeal the Order entered on January 5, 2018 by CSL, and instead desires to enter into a settlement agreement to comply with the licensure requirement and satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on or about January 24, 2018, Cheryl Peters, Vice President of the Board of Directors and other Board Members of Animal Protection Society of Person County, Inc., telephoned Verlyn C. Porte, CSL Attorney, regarding the Order and payment of the assessed penalty; and

WHEREAS, on January 30, 2018, CSL received Animal Protection Society of Person County, Inc.'s Exemption Request Form; and on February 6, 2018, the organization satisfied the requirements for an exemption from the licensure requirement of the Charitable Solicitation Act pursuant to N.C.G.S. §131F-3(3); and

WHEREAS, on February 2, 2018, CSL and Animal Protection Society of Person County, Inc. agreed to a reduced penalty payment in the amount of FIVE HUNDRED DOLLARS in settlement of the ONE THOUSAND DOLLARS assessed penalty in the January 5, 2018 Order; and

WHEREAS, on February 5, 2018, CSL received Animal Protection Society of Person County, Inc.'s penalty payment in the amount of FIVE HUNDRED DOLLARS (\$500.00); and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. Animal Protection Society of Person County, Inc. through its Vice President of the Board, Cheryl A. Peters, and the Department through CSL Director, Gail L. Eluwa, agree to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to Animal Protection Society of Person County, Inc. on January 5, 2018.

2. Animal Protection Society of Person County, Inc. shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before February 20, 2018 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail L. Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail L. Eluwa, CSL Director  
North Carolina Department of the Secretary of State  
Charitable Solicitation Licensing Division  
Post Office Box 29622  
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail L. Eluwa, CSL Director  
North Carolina Department of the Secretary of State  
Charitable Solicitation Licensing Division  
2 South Salisbury Street  
Raleigh, NC 27601

3. If the two copies of the fully executed settlement agreement are not received on or before the February 20, 2018 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

4. CSL agreed to issue Animal Protection Society of Person County, Inc. an exemption from the licensure requirement of the Charitable Solicitation Act effective February 6, 2018, with an expiration date of May 15, 2019.

5. Animal Protection Society of Person County, Inc. agrees that by entering into this Settlement Agreement, it will request a charitable solicitation license or an exemption from the licensure requirement of the Charitable Solicitation Act within the timeline established by CSL's policy; and acknowledges that failure to timely obtain a license or request an exemption may result in the issuance of additional financial penalties.

6. Animal Protection Society of Person County, Inc. acknowledges that by entering into this Settlement Agreement, it agrees not to contest the January 5, 2018 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

7. The parties agree that CSL does not waive any authority on behalf of the

Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

8. Entry into this Settlement Agreement by Animal Protection Society of Person County, Inc. is not an admission of liability for the violations set forth in the Order of January 5, 2018. Animal Protection Society of Person County, Inc., however, does not dispute that the facts set forth in the Order are accurate. CSL does not concede by entering into this Settlement Agreement that it would not have prevailed at a hearing on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of hearing.

9. The parties agree that all parts of the Order which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

10. This Settlement Agreement shall be given full effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

11. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

12. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

13. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

14. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

15. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

16. This Settlement Agreement shall first be signed by Cheryl A. Peters, Vice President of the Board of Director, Animal Protection Society of Person County, Inc., under oath before a Notary Public and then forwarded to Gail L. Eluwa, CSL Director, for signature. The Agreement is effective on the date on which Cheryl A. Peters signs under oath before a Notary Public on behalf of Animal Protection Society of Person County, Inc.

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Cheryl A. Peters, Vice President of the Board of Directors,  
Animal Protection Society of Person County, Inc.

Sworn to and subscribed before me,

This the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

---

\_\_\_\_\_  
Notary Public

SEAL

---

\_\_\_\_\_  
County and State

My commission expires: \_\_\_\_\_

Gail L. Eluwa, Director  
Charitable Solicitation Licensing Division  
North Carolina Secretary of State

Sworn to and subscribed before me,

This the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Notary Public

SEAL

\_\_\_\_\_  
County and State

My commission expires: \_\_\_\_\_

# USPS Tracking®

Tracking

FAQs

Track Another Package +

Remove X

Tracking Number: 70140510000164620148

## Status

### Delivered

February 12, 2018 at 1:00 pm

Delivered  
ROXBORO, NC 27573

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Tracking  
/

FAQs

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Tracking Number: 70140510000164573987

Remove X

## Status

### Delivered

February 26, 2018 at 9:57 am

Delivered

ROXBORO, NC 27573

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Delivered

**RETRIEVE MAIL**PRINTED ON STABBY MAIL  
PULL TAB TO OPEN**SENDE****RECEIVE**PRINTED ON STABBY MAIL  
PULL TAB TO OPEN**SECTION ON DELIVERY**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
  - Attach this card to the back of the mailpiece, or on the front if space permits.

**1. Article Addressed to:**

5 EX005140 EX  
CHERYLA PETERS, VICE PRESIDENT  
ANIMAL PROTECTION SOCIETY OF PERSON COUNTY INC  
PO BOX 291  
ROXBORO NC 27573

3. Service Type
- Certified Mail®  Priority Mail Express™
  - Registered  Return Receipt for Merchandise
  - Insured Mail  Collect on Delivery

**4. Restricted Delivery? (Extra Fee)**

2. Article Number  
*(Transfer from service label)*

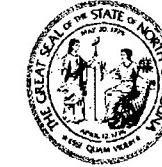
7014 0510 0001 6457 3987

PS Form 3811 July 2013

Domestic Return Receipt

- A. Signature  
*Cheryla Peters*
- B. Received by *(Printed Name)*
- C. Date of Delivery
- D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No  
*120 2010*





*State of North Carolina  
Department of the Secretary of State*

ELAINE F. MARSHALL  
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

**SETTLEMENT AGREEMENT**

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Brittany Saad, President  
Love of Lacey Equine Rescue  
215 Huckleberry Lane  
Erwin, NC 28339

**In the Matter of: Love of Lacey Equine Rescue  
CSL FILE NO.: 2017 CSL 101122**

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter “Department”], Charitable Solicitation Licensing Division [hereinafter “CSL”] and Love of Lacey Equine Rescue to set forth compliance and the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on December 19, 2017 by CSL. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, N.C. Gen. Stat. §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on December 19, 2017, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as “Order”) signed by CSL

Director, Gail L. Eluwa, to Love of Lacey Equine Rescue, assessing TWO THOUSAND DOLLARS (\$2,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, Love of Lacey Equine Rescue did not appeal the Order entered on December 19, 2017 by CSL, and instead desires to enter into a settlement agreement to comply with the licensure requirement and satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on or about February 27, 2018, Brittany Saad, President of Love of Lacey Equine Rescue, emailed Verlyn C. Porte, CSL Attorney, regarding the Order and payment of the assessed penalty; and

WHEREAS, on January 9, 2018, CSL received Love of Lacey Equine Rescue's Exemption Request Form; and on June 6, 2018, the organization satisfied the requirements for an exemption from the licensure requirement of the Charitable Solicitation Act pursuant to N.C.G.S. §131F-3(3); and

WHEREAS, on June 18, 2018, CSL and Love of Lacey Equine Rescue agreed to a reduced penalty payment in the amount of FIVE HUNDRED DOLLARS in settlement of the TWO THOUSAND DOLLARS assessed penalty in the December 19, 2017 Order; and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. Love of Lacey Equine Rescue through its President, Brittany Saad, and the Department through CSL Director, Gail L. Eluwa, agree to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to Love of Lacey Equine Rescue on December 19, 2017.

2. Love of Lacey Equine Rescue agrees to submit twenty payments of twenty-five dollars (\$25.00) monthly to CSL, beginning June 2018, until it has satisfied the reduced penalty in the amount of five hundred dollars (\$500.00).

3. Love of Lacey Equine Rescue shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before June 29, 2018 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail L. Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail L. Eluwa, CSL Director  
North Carolina Department of the Secretary of State  
Charitable Solicitation Licensing Division  
Post Office Box 29622  
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail L. Eluwa, CSL Director  
North Carolina Department of the Secretary of State  
Charitable Solicitation Licensing Division

2 South Salisbury Street  
Raleigh, NC 27601

3. If the two copies of the fully executed settlement agreement are not received on or before the June 29, 2018 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

4. CSL agreed and has issued Love of Lacey Equine Rescue an exemption from the licensure requirement of the Charitable Solicitation Act effective June 6, 2018, with an expiration date of May 15, 2019.

5. Love of Lacey Equine Rescue agrees that by entering into this Settlement Agreement, it will request a charitable solicitation license or an exemption from the licensure requirement of the Charitable Solicitation Act within the timeline established by CSL's policy; and acknowledges that failure to timely obtain a license or request an exemption may result in the issuance of additional financial penalties.

6. Love of Lacey Equine Rescue acknowledges that by entering into this Settlement Agreement, it agrees not to contest the December 19, 2017 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

7. The parties agree that CSL does not waive any authority on behalf of the Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

8. Entry into this Settlement Agreement by Love of Lacey Equine Rescue is not an admission of liability for the violations set forth in the Order. Love of Lacey Equine Rescue, however, does not dispute that the facts set forth in the Order are accurate. CSL does not concede by entering into this Settlement Agreement that it would not have prevailed at a hearing on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of hearing.

9. The parties agree that all parts of the Order which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

10. This Settlement Agreement shall be given full effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

11. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

12. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

13. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

14. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

15. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

16. This Settlement Agreement shall first be signed by Brittany Saad, President, Love of Lacey Equine Rescue under oath before a Notary Public and then forwarded to Gail L. Eluwa, CSL Director, for signature. The Agreement is effective on the date on which Brittany Saad signs under oath before a Notary Public on behalf of Love of Lacey Equine Rescue.

---

\_\_\_\_\_  
Brittany Saad, President,  
Love of Lacey Equine Rescue

Sworn to and subscribed before me,

This the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
SEAL

Notary Public

\_\_\_\_\_  
County and State

My commission expires: \_\_\_\_\_

---

\_\_\_\_\_  
Gail L. Eluwa, Director  
Charitable Solicitation Licensing Division  
North Carolina Secretary of State

Sworn to and subscribed before me,

This the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
SEAL

Notary Public

\_\_\_\_\_  
County and State

My commission expires: \_\_\_\_\_

# USPS Tracking®

Tracking

F

Track Another Package +

Tracking Number: 70171450000035037801

Remove

Expected Delivery on

Status

 Delivered

June 21, 2018 at 1:34 pm  
Delivered | Left with Individual  
ERWIN, NC 28339

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**21**  
JUNE  
2018  
by  
**8:00pm** ⓘ

**RESTRICTED MAIL**PLACE STICKER HERE AND TURN OVER TO THE RIGHT  
OF ENVELOPE TO FOLD ALONG LINE

THIS SECTION ON DELIVERY

- Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

## 1. Article Addressed to:

5 EX004981 EX   
BRITTANY SAAD, PRESIDENT  
LOVE OF LACEY EQUINE RESCUE  
215 HUCKLEBERRY LN  
ERWIN NC 28339

A. Signature   
 XB. Received by (Printed Name)  C. Date of Delivery  6-21-18D. Is delivery address different from item 1?  Yes  
If YES, enter delivery address below:  No

3. Service Type

Certified Mail®  Priority Mail Express™  
 Registered  Return Receipt for Merchandise  
 Insured Mail  Collect on Delivery

4. Restricted Delivery? (Extra Fee)  Yes2. Article Number  
(Transfer from service label)

7017 1450 0000 3503 7801

Domestic Return Receipt

PS Form 3811, July 2013





*State of North Carolina  
Department of the Secretary of State*

ELAINE F. MARSHALL  
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

**CERTIFIED MAIL RETURN RECEIPT REQUESTED**

March 27, 2018

Mark Sigmon, President  
Hearts and Hope Foundation, Inc.  
4750 Lazy Lane  
Denver, NC 28037

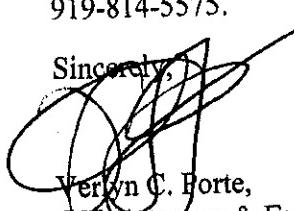
Re: Settlement Agreement

Dear Mr. Sigmon:

Please find enclosed the signed Settlement Agreement between the North Carolina Department of the Secretary of State, Charitable Solicitation Licensing Division (hereinafter, "CSL") and Hearts and Hope Foundation, Inc. to retain for your records. This agreement reflects the resolution of the issues in the August 11, 2017 Administrative Order and requires your organization to timely comply with the Charitable Solicitation Act, by either requesting an exemption from the licensure requirement, or applying for a charitable solicitation license annually.

If you have any questions or concerns regarding this matter, please feel free to contact me at: 919-814-5575.

Sincerely,

  
Verlyn C. Forte,  
CSL Attorney & Enforcement Supervisor



*State of North Carolina  
Department of the Secretary of State*

ELAINE F. MARSHALL  
SECRETARY OF STATE

CHARITABLE SOLICITATION LICENSING DIVISION

**SETTLEMENT AGREEMENT**

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mark Sigmon, President, Hearts and Hope Foundation, Inc.  
Hearts and Hope Foundation, Inc.  
4750 Lazy Lane  
Denver, NC 28037

**In the Matter of: Hearts and Hope Foundation, Inc.  
CSL FILE NO.: 2017 CSL 081100**

This Settlement Agreement is entered into by the North Carolina Department of the Secretary of State [hereinafter "Department"], Charitable Solicitation Licensing Division [hereinafter "CSL"] and Hearts and Hope Foundation, Inc. to set forth compliance and the terms of agreement for payment of financial penalties assessed in an Administrative Order for Penalties and to Cease and Desist Solicitation Activities issued on August 11, 2017 by CSL. This Order imposed penalties pursuant to the North Carolina Charitable Solicitation Act, N.C. Gen. Stat. §131F-1 *et seq.* and/or Rules implementing the Act.

WHEREAS, CSL is charged with charitable solicitation licensing and enforcement in North Carolina under the Charitable Solicitation Act and Chapter 11 of Title 18 of the North Carolina Administrative Code; and

WHEREAS, on August 11, 2017, CSL issued an Administrative Order for Penalties and to Cease and Desist Solicitation Activities (hereinafter referred to as "Order") signed by CSL

Director, Gail L. Eluwa, to Hearts and Hope Foundation, Inc., assessing ONE THOUSAND DOLLARS (\$1,000.00) in financial penalties pursuant to the Charitable Solicitation Act and/or relevant Rules; and

WHEREAS, the Order was properly served and included a Notice of Appeal Rights to the Office of Administrative Hearings (OAH) in compliance with Article 3 of the North Carolina Administrative Procedure Act, N.C. Gen. Stat. §150B; and

WHEREAS, Hearts and Hope Foundation, Inc. did not appeal the Order entered on August 11, 2017 by CSL, and instead desires to enter into a settlement agreement to comply with the licensure requirement and satisfy the financial penalty assessed in the aforementioned Order; and

WHEREAS, on February 13, 2018, CSL received Hearts and Hope Foundation, Inc.'s charitable solicitation license application; which is under review to determine if it satisfies the licensure requirement of the Charitable Solicitation Act pursuant to N.C.G.S. §131F-5; and

WHEREAS, on or about February 20, 2018, Forrest Wesley Sigmon, Secretary, Hearts and Hope Foundation, Inc., telephoned Verlyn C. Porte, CSL Attorney, regarding the Order and payment of the assessed penalty; and

WHEREAS, on February 22, 2018, CSL and Hearts and Hope Foundation, Inc. agreed to a reduced penalty payment in the amount of FIVE HUNDRED DOLLARS in settlement of the ONE THOUSAND DOLLARS assessed penalty in the August 11, 2017 Order; and

WHEREAS, on March 5, 2018, CSL received Hearts and Hope Foundation, Inc.'s penalty payment in the amount of FIVE HUNDRED DOLLARS (\$500.00); and

WHEREAS, negotiations have been successful between the parties concerning the settlement agreement terms; and

THEREFORE, the parties have agreed to settle all outstanding issues through this Settlement Agreement, the specific terms of which are listed in the subsequent numbered paragraphs. The parties hereby agree as follows:

1. Hearts and Hope Foundation, Inc. through its President, Mark Sigmon, and the Department through CSL Director, Gail L. Eluwa, agree to the terms as outlined further in this Settlement Agreement to resolve all issues, including the financial penalties assessed in the Order issued by CSL to Hearts and Hope Foundation, Inc. on August 11, 2017.

2. Hearts and Hope Foundation, Inc. shall send two notarized copies of the original Settlement Agreement to be received by CSL on or before March 16, 2018 by the close of business (5:00 p.m.). This document shall be sent to the attention of Gail L. Eluwa, CSL Director, to one of the following addresses:

For regular mail, use the following address:

Gail L. Eluwa, CSL Director  
North Carolina Department of the Secretary of State  
Charitable Solicitation Licensing Division  
Post Office Box 29622  
Raleigh, NC 27626-0622

For overnight mail, use the following address:

Gail L. Eluwa, CSL Director  
North Carolina Department of the Secretary of State  
Charitable Solicitation Licensing Division  
2 South Salisbury Street  
Raleigh, NC 27601

3. If the two copies of the fully executed settlement agreement are not received on or before the March 16, 2018 deadline, without further notice, CSL will issue an Order to assess further penalties up to ONE THOUSAND DOLLARS (\$1,000.00) per day for each day the settlement agreement is not received.

4. CSL agrees to issue Hearts and Hope Foundation, Inc. a charitable solicitation license or an exemption from the licensure requirement of the Charitable Solicitation Act if it satisfies the statutory guidelines.

5. Hearts and Hope Foundation, Inc. agrees that it will comply with CSL's notices and timely submit any documents required to obtain a charitable solicitation license or an exemption from the licensure requirement of the Charitable Solicitation Act.

6. Hearts and Hope Foundation, Inc. agrees that by entering into this Settlement Agreement, it will request a charitable solicitation license or an exemption from the licensure requirement of the Charitable Solicitation Act within the timeline established by CSL's policy; and acknowledges that failure to timely obtain a license or request an exemption may result in the issuance of additional financial penalties.

7. Hearts and Hope Foundation, Inc. acknowledges that by entering into this Settlement Agreement, it agrees not to contest the August 11, 2017 Order, and any of the provisions of the aforesaid Order, whether or not the challenge is barred by the applicable statute of limitations.

8. The parties agree that CSL does not waive any authority on behalf of the

Secretary of State to take action in the future for any and all violations of the Charitable Solicitation Act, N. C. Gen. Stat. § 131F-1 *et seq.* and the relevant Rules provisions found in Chapter 11 of Title 18 of the North Carolina Administrative Code.

9. Entry into this Settlement Agreement by Hearts and Hope Foundation, Inc. is not an admission of liability for the violations set forth in the Order of August 11, 2017. Hearts and Hope Foundation, Inc., however, does not dispute that the facts set forth in the Order are accurate. CSL does not concede by entering into this Settlement Agreement that it would not have prevailed at a hearing on this matter. The parties, however, agree that this Settlement Agreement is a compromise that avoids the time and expense of hearing.

10. The parties agree that all parts of the Order which are not addressed specifically in this Settlement Agreement are considered resolved without further proceedings related to this contested case.

11. This Settlement Agreement shall be given full effect and shall be construed under the laws of the State of North Carolina, which retains jurisdiction of this matter.

12. The undersigned individuals represent that they have the legal capacity and authority to bind the entities on whose behalf they are signing with regard to all issues addressed by and resolved in this Settlement Agreement.

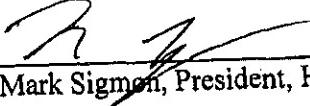
13. All parties acknowledge that they have entered into this Settlement Agreement freely and voluntarily and without any coercion.

14. All parties further acknowledge that they have read and understand the terms of this Agreement and that they have had the opportunity to consult with counsel in deciding whether to enter into this Agreement.

15. This Settlement Agreement constitutes the entire agreement reached by the parties hereto. Any discussions outside the terms of this Agreement are not a part hereof.

16. Any modifications to this Settlement Agreement must be in writing and signed by all parties.

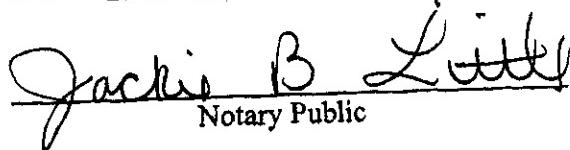
17. This Settlement Agreement shall first be signed by Mark Sigmon, President, Hearts and Hope Foundation, Inc., under oath before a Notary Public and then forwarded to Gail L. Eluwa, CSL Director, for signature. The Agreement is effective on the date on which Mark Sigmon signs under oath before a Notary Public on behalf of Hearts and Hope Foundation, Inc.



\_\_\_\_\_  
Mark Sigmon, President, Hearts and Hope Foundation, Inc.

Sworn to and subscribed before me,

This the 15<sup>th</sup> day of March, 2018.

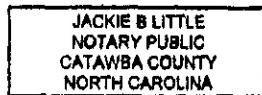


\_\_\_\_\_  
Notary Public

Catawba, NC  
County and State

SEAL

My commission expires: 10-19-20



Gail L. Eluwa

Gail L. Eluwa, Director  
Charitable Solicitation Licensing Division  
North Carolina Secretary of State

Sworn to and subscribed before me,

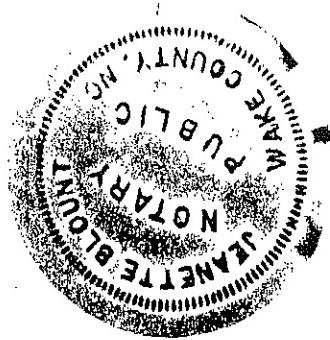
This the 26 day of March, 2018.

Jeanette Blount  
Notary Public

Wake County, North Carolina  
County and State

My commission expires: 6-27-2021

SEAL



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## Delivered

April 2, 2018 at 11:46 am

Delivered  
DENVER, NC 28037

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<b>SENDER: CO.</b>	<input checked="" type="checkbox"/> <b>Kim Ratteerree</b> <input type="checkbox"/> Agent <input type="checkbox"/> <b>Kim Ratteerree</b> <input type="checkbox"/> Addressee		
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.		B. Received by (Printed Name) <b>Kim Ratteerree</b> C. Date of Delivery <b>4-2-18</b> D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below: <b>V8</b>	
1. Article Addressed to: <hr/> <b>5 EX005249 EX</b> <b>KIM RATTEERREE, TREASURER</b> <b>HEARTS AND HOPE FOUNDATION INC.</b> <b>4750 LAZY LN</b> <b>DENVER NC 28037-0000</b>		3. Service Type <input type="checkbox"/> Certified Mail® <input checked="" type="checkbox"/> Priority Mail Express™ <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> Collect on Delivery	
		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
2. Article Number <i>(Transfer from service label)</i> <b>7014 0510 0001 6440 2478</b>			
PS Form 3811, July 2013 Domestic Return Receipt			